



City of San Marcos

630 East Hopkins
San Marcos, TX 78666

Work Session - Final City Council

Tuesday, March 5, 2019

3:00 PM

City Hall Conference Room

630 E. Hopkins - Work Session

I. Call To Order

II. Roll Call

1. Receive Staff presentation, and hold discussion, regarding the approved Fiscal Year 2019 Capital Improvement Plan (CIP) Projects, as well as, an update on the issuance of bonded debt in May 2019 to provide funding for the projects, and provide direction to Staff.
2. Receive a Staff presentation and update regarding Community Development Block Grant-Disaster Recovery (CDBG-DR) Projects, and provide direction to Staff.

EXECUTIVE SESSION

3. Executive Session in accordance with Section 551.087, Economic Development, to receive a staff briefing and deliberate regarding a potential Chapter 380 Economic Development incentive agreement for Project World Series.

III. Adjournment.

POSTED ON THURSDAY, FEBRUARY 8, 2019 AT 5:00PM

JAMIE LEE CASE, CITY CLERK

Notice of Assistance at the Public Meetings

The City of San Marcos does not discriminate on the basis of disability in the admission or access to its services, programs, or activities. Individuals who require auxiliary aids and services for this meeting should contact the City of San Marcos ADA Coordinator at 512-393-8000 (voice) or call Texas Relay Service (TRS) by dialing 7-1-1. Requests can also be faxed to 855-461-6674 or sent by e-mail to ADArequest@sanmarcostx.gov



Legislation Text

File #: ID#19-048, **Version:** 1

AGENDA CAPTION:

Receive Staff presentation, and hold discussion, regarding the approved Fiscal Year 2019 Capital Improvement Plan (CIP) Projects, as well as, an update on the issuance of bonded debt in May 2019 to provide funding for the projects, and provide direction to Staff.

Meeting date: March 5, 2019

Department: Finance-Heather Hurlbert, Finance Director

Amount & Source of Funding

Funds Required: Click or tap here to enter text.

Account Number: Click or tap here to enter text.

Funds Available: Click or tap here to enter text.

Account Name: Click or tap here to enter text.

Fiscal Note:

Prior Council Action: The FY 2019 were approved during the FY 2019 budget process.

City Council Strategic Initiative: [Please select from the dropdown menu below]

Stormwater

City Facilities

Choose an item.

Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu below]

☐ Economic Development - Choose an item.

☐ Environment & Resource Protection - Choose an item.

☐ Land Use - Choose an item.

☐ Neighborhoods & Housing - Choose an item.

☒ Parks, Public Spaces & Facilities - Choose an item.

☐ Transportation - Choose an item.

☐ Not Applicable

Master Plan: *[Please select the corresponding Master Plan from the dropdown menu below (if applicable)]*

Choose an item.

Background Information:

The first year of the 10-year CIP is approved by City Council with the adoption of the budget each year. The bonded debt to fund these projects is traditionally issued in the spring after property taxes are collected. Prior to the debt issuance, projects are reviewed for several items:

- Is the project ready to move forward or should it be deferred?
- Does the project need additional funding?
- Are there new projects that have become necessary after the adoption of the CIP Plan?
- Are there alternative funding sources besides debt funding?
- Are previously deferred projects ready for funding?

When this review is complete, the total amount of bonded debt required to fund the projects is calculated and a notice of intent to issue debt is published to inform the public of the planned debt sale.

During this work session staff will present a review of the FY 2019 Projects including current deferrals, alternative funding, new additions, and previously deferred projects. The process of the bonded debt sale and the anticipated total for this sale will also be presented.

Council Committee, Board/Commission Action:

Click or tap here to enter text.

Alternatives:

Click or tap here to enter text.

Recommendation:

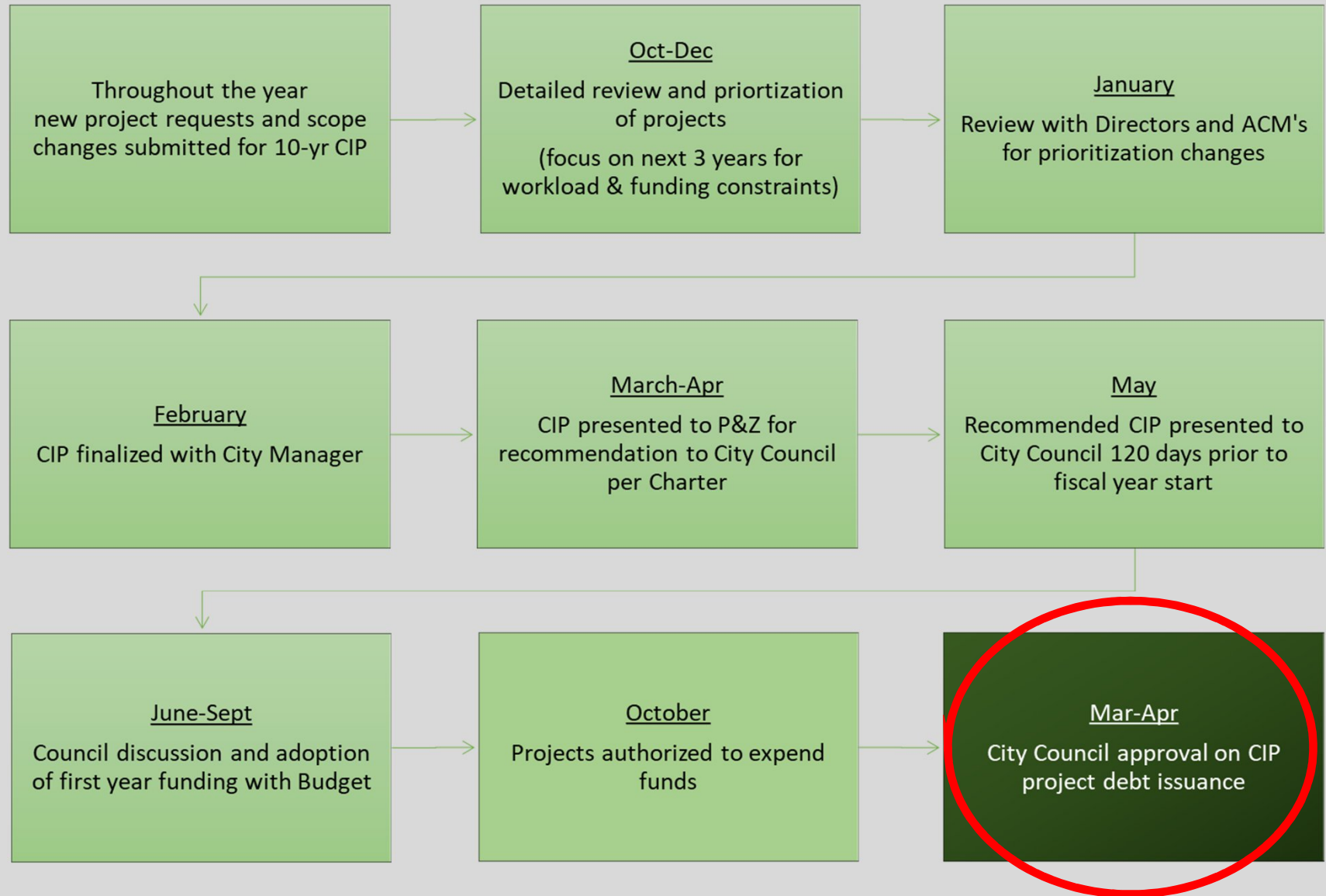
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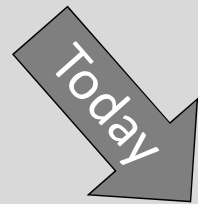
Preparing for Bond Issuance



Update on
FY2019 Capital Improvement Projects (CIP)

Annual Capital Improvement Project (CIP) Process





Debt Update

Projects and debt amounts reviewed with City Council

Notice of Intent

City Council approves a notice of intent to issue debt a minimum of 30 days prior to bond sale.

Publish Notice of Intent

Notice of intent published twice on the local news paper.

Due Diligence

City participates in a rating meeting with Standards and Poor's and offering statement is prepared.

Competitive Sale

The CO bonds will be sold through a competitive sale on May 21st

Authorization of issuance

City Council approves an ordinance authorizing the issuance of CO bonds

Closing and Delivery

Sale is closed and proceeds delivered.

Project Review

Approved projects are reviewed for readiness and budget.

CIP Approved

CIP Projects approved with the budget

CIP and Debt Issuance Timeline

Sept
2018

Feb/
March

March
5th

April
2nd

April
8/15

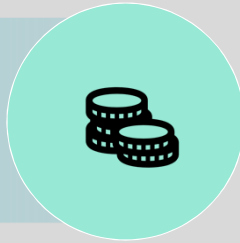
April

May
21

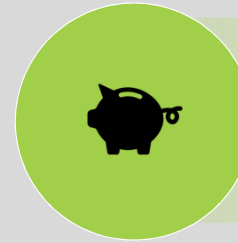
May
21

June
12

City will issue Certificates of Obligation (CO's) bonds for all funds. CO bonds are backed by the full faith and credit of the City.



The CO bond terms will range from one year to twenty years with shorter life assets/ studies funded with shorter term bonds. We are currently working with our financial advisor to choose the best financing option for short-term project needs.



CO's bonds are tax supported debt. Debt payments for the CO bonds issued for the Enterprise Funds will be paid from revenue generated by rates.



The City will do a competitive sale- buyers will submit bids to buy all CO bonds at a competitive price with the lowest bid winning



There is no tax rate impact from these CO bonds. The debt payments will be paid from existing capacity.



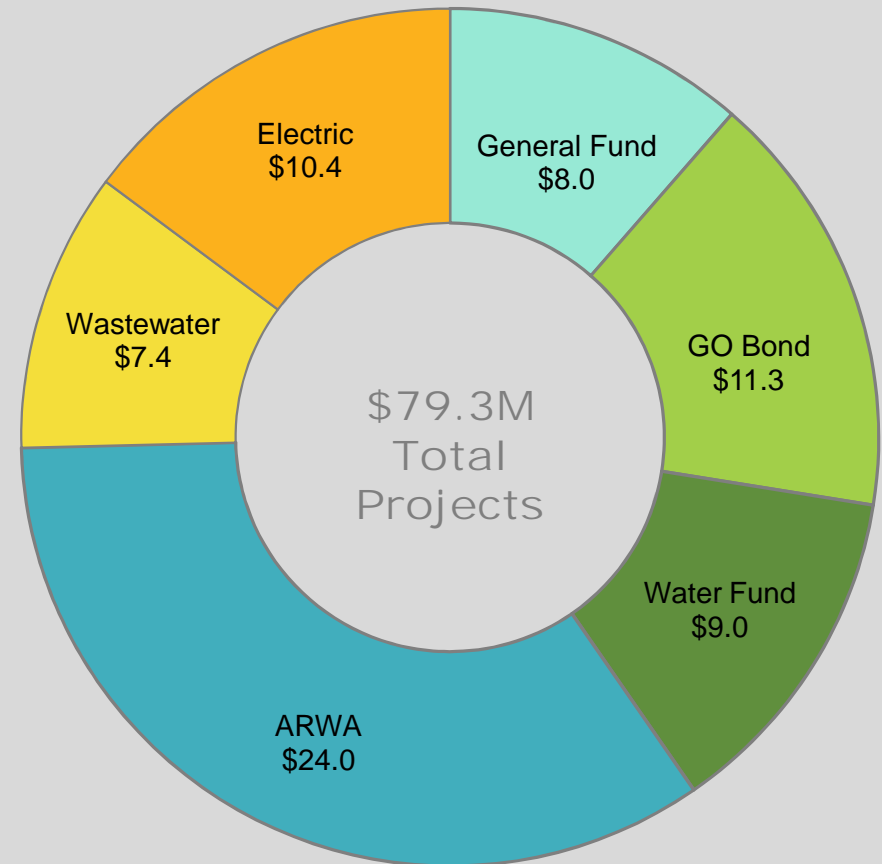
Staff is confident that Standard and Poor's will affirm the City's AA rating.



Bond Issuance Facts

FY2019 Project Totals

GO Bond Projects	\$11,350,000
General Fund Projects	\$8,033,000
Water Projects	\$8,929,000
ARWA Water Projects	\$24,000,000
Wastewater Projects	\$7,367,000
Stormwater Projects	\$9,184,000
Electric Projects	\$10,444,000
Total FY19 Projects	\$79,307,000
Bonds Approved & Issued (\$11,350,000)	
Anticipated Debt Issuance	\$67,957,000



FY 2019 Project Summary

FY 2019 CIP Projects

Strategic Initiative-Stormwater		
Project No.	Project	Amount
33	Cottonwood Creek Detention Study	\$250K
90	Hopkins Street Improvements-Bishop to Moore	\$8.4M
183	Bishop Street Improvements	\$820K
358	Downtown Water Quality Improvements	\$100K
563	Linda Drive Improvements	\$1.6M
582	E Aquarena Springs Drive Reconstruction	\$150K
617	Blanco Gardens Stormwater	\$250K

Downtown		
Project No.	Project	Amount
588	Hutchison Street Lot	\$155K
712	Downtown Safety and Comfort Improvements	\$100K

Strategic Initiative-Stormwater Cont.		
Project No.	Project	Amount
618	Stormwater Improvements-Variou	\$200K
621	River Ridge Stormwater Improvements	\$270K
627	Belvin Street Improvements	\$525K
629	IH35 Utility Relocations	\$125K
644	Sunset Acres Subdivision	\$850K
680	Castle Forest Channel	\$250K

FY 2019 CIP Projects

Infrastructure		
Project No.	Project	Amount
96	HWY 12 Water AC Line Replacement	\$350K
100	Wonder World to Clovis Barker Waterline Oversize	\$125K
142	Old Bastrop Hwy Water Line	\$1.6M
325	Briarwood Water Improvements	\$50K
388	Upgrade Redwood Substation Transformer*	\$3.1M
430	Staples Road 12" Water Line	\$1.4M
477	Guadalupe Street Improvements	\$1.1M
480	Hopkins Sidewalk Widening CM Allen to Thorp	\$75K
521	Sessom Creek Bank Stabilization	\$270K

Infrastructure-Cont.		
Project No.	Project	Amount
555	Hwy 80 Lift Station and Force Main	\$1.0M
636	Aquarena Springs Waterline Replacement*	\$370K
638	Surface Water Treatment Plant Access	\$50K
642	Rehab LS14 River Road	\$100K
643	Rehab LS25 Hills of Hays	\$100K
648	SMEU Power Factor Improvements*	\$150K
649	Sub Station Feeder Breaker Upgrade*	\$250K
652	WWTP Electirc Backup Feed	\$600K

*Funded with cash funds or bonds with terms 5 years or less

FY 2019 CIP Projects

Annual Funding		
Project No.	Project	Amount
210	Stormwater System Improvements	\$120K
244	Wastewater Improvements	\$150K
248	Water Improvements	\$150K
249	Water Main Oversizing	\$150K
405	Pole Replacement-Electric Utility*	\$150K
583	Transportation Oversize	\$100K
710	Pole Replacement-CIP Projects*	\$200K

One-time/Non-Recurring		
Project No.	Project	Amount
69	Fiber Optic Infrastructure Expansion*	\$351K
212	Street Light Replacement Program*	\$500K
689	AMI Generation 2 Upgrade	\$2.9M
690	Fiber Optic Emergency Replacements*	\$100K
703	Traffic Signal Synchronization and Improvements*	\$125K
708	Wastewater Oversizing	\$500K
714	SCADA Replacement*	\$900K

*Funded with cash funds or bonds with terms 5 years or less

FY 2019 CIP Projects

Strategic Initiative-Facilities

Project No.	Project	Amount
524	Airport Taxiway System Ramp Rehab and Design	\$124K
526	City Facility Renovations	\$695K
542	City Hall Reconstruction	\$60K
653	Airport-City Facilities	\$100K
667	Critical Utility Security*	\$150K
678	Bond Projects- Network Cabling Infrastructure	\$100K
696	Cock House Repairs	\$80K
699	Price Center Repairs	\$125K
713	Parks ADA Access to the River	\$50K
716	San Marcos River Bike and Ped Trail	\$287K

Study

Project No.	Project	Amount
31	Comprehensive Plan- 5 Year Update*	\$200K
715	CAMPO Southwestern Hays Sub-Regional Study*	\$200K

Alternative Funding

Project No.	Project	Amount
288	ARWA Water Supply	\$24.0M ARWA/TWDB Bonds
633	Blanco Riverine Project	\$2.6M HUD-DR Funding
635	Flood Emergency and Safety Improvements	\$50K HUD-DR Funding

*Funded with cash funds or bonds with terms 5 years or less

FY 2019 CIP Projects

Deferred Projects		
Project No.	Project	Amount
40	Customer Extensions	\$471K
207	SSES and Repairs	\$650K
232	URD Cable Replacement	\$100K
245	Lift Station Improvements	\$150K
247	Water System Improvements	\$150K
251	Pump Station Improvements	\$150K
258	Wastewater Collection Improvements	\$150K
419	Sessom/Academy Intersection Improvements	\$1.8M

Deferred Projects-Cont.		
Project No.	Project	Amount
476	Bus Stop Shelters	\$80K
477	Guadalupe Street Repair	\$1.0M
521	Sessom Creek Bank Stabilization	\$1.9M
542	City Hall	\$140K
639	Public Services/Comm Services Fiber Tower	\$450K
711	Asset Management Systems Development	\$100K
712	Downtown Safety and Comfort Improvements	\$335K

FY 2019 CIP Projects

New Commitment's since Approval of FY 2019 CIP

Project No.	Project	Amount
112	Airport Master Plan Update	\$50K
159	Airport RAMP Grant	\$50K
524	Airport Taxiway System, Ramp Rehab Design	\$224K
557	CM Allen Street Reconstruction	\$388
616	Cemetery Land Acquisition	\$1.3M
743	Rio Vista Falls Repair	\$500K
	Urban Mining Extension	\$441K

Projects Deferred from Prior Years

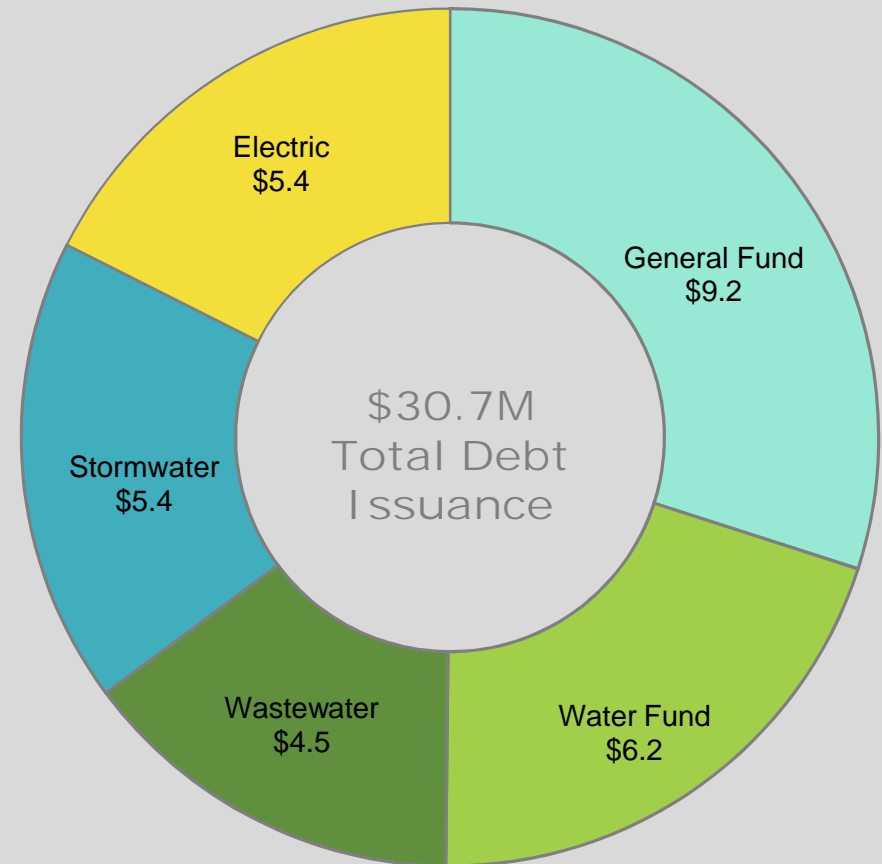
Project No.	Project	Amount
189	SM Youth Baseball Complex Renovation	\$100K
383	Electric Master Plan	\$400K
546	West Purgatory Creek Wastewater Interceptor	\$350K
606	Airport-FM 110 Connection Drive	\$100K
609	Downtown Master Plan	\$200K
614	Downtown Property Acquisition	\$750K

*Funded with cash funds or bonds with terms 5 years or less

FY2019 Project Totals

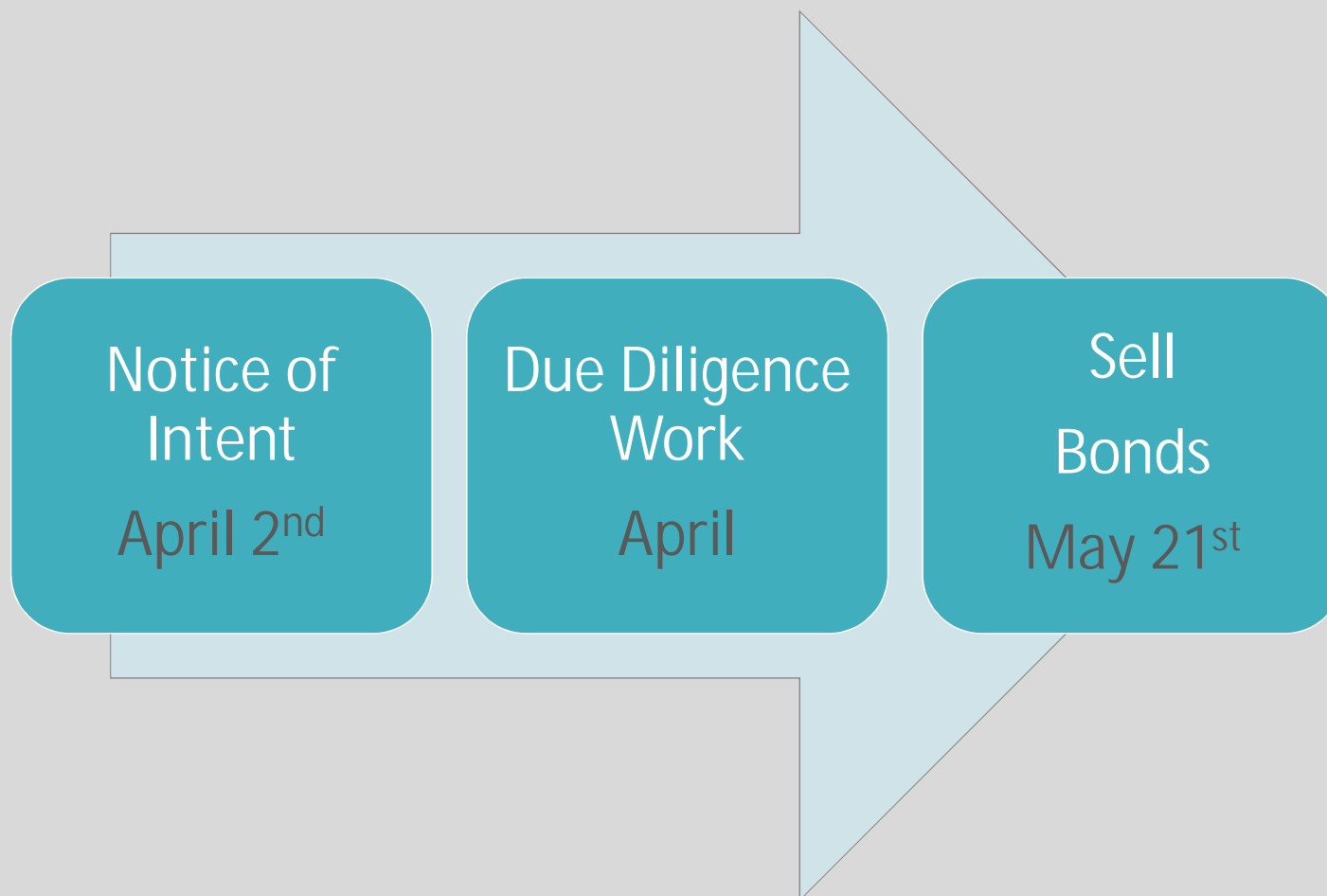
Anticipated Debt Issuance	\$67,957,000
Total Deferred Projects	(\$7,626,000)
Total Cash Funded Projects	(\$4,962,000)
Total Alternative Funding	(\$26,750,000)
Total Impact Fee Funding	(\$2,750,000)
Total New/Additional Funding Projects	\$2,953,000
Total Prior Year Deferred Projects	\$1,900,000
Total Anticipated Debt Issuance*	\$30,721,000

*\$2.3M will be bonds with terms 5 years or less



FY 2019 Debt Issue Summary

Next Steps



Questions??





Legislation Text

File #: ID#19-057, **Version:** 1

AGENDA CAPTION:

Receive a Staff presentation and update regarding Community Development Block Grant-Disaster Recovery (CDBG-DR) Projects, and provide direction to Staff.

Meeting date: March 5, 2019

Department: Engineering/CIP

Amount & Source of Funding

Funds Required: N/A

Account Number: Click or tap here to enter text.

Funds Available: Click or tap here to enter text.

Account Name: Click or tap here to enter text.

Fiscal Note:

Prior Council Action: Click or tap here to enter text.

City Council Strategic Initiative: [Please select from the dropdown menu below]

Stormwater

Choose an item.

Choose an item.

Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu below]

☐ Economic Development - Choose an item.

☒ Environment & Resource Protection - Population Prepared for and resilient to Man-Made & Natural Disasters

☐ Land Use - Choose an item.

☐ Neighborhoods & Housing - Choose an item.

☐ Parks, Public Spaces & Facilities - Choose an item.

☐ Transportation - Choose an item.

☐ Not Applicable

Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]

Choose an item.

Background Information:

At the October 16th Work Session City Council requested an update on all of the CDBG-DR projects. The presentation will provide the requested update and seek City Council guidance on future funding

Council Committee, Board/Commission Action:

Click or tap here to enter text.

Alternatives:

Click or tap here to enter text.

Recommendation:

Click or tap here to enter text.

CDBG-DR Infrastructure Work Session

March 5, 2019

Presentation Goals:

- Follow-up on DR project status & preliminary engineering results
- Guidance from Council on staff recommendation for funding

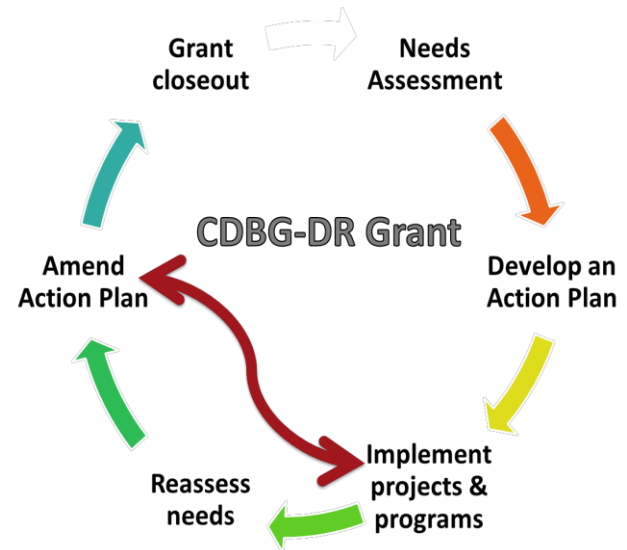
Presentation Agenda:

- Overview
- Project Updates
- Summary
- Next Steps



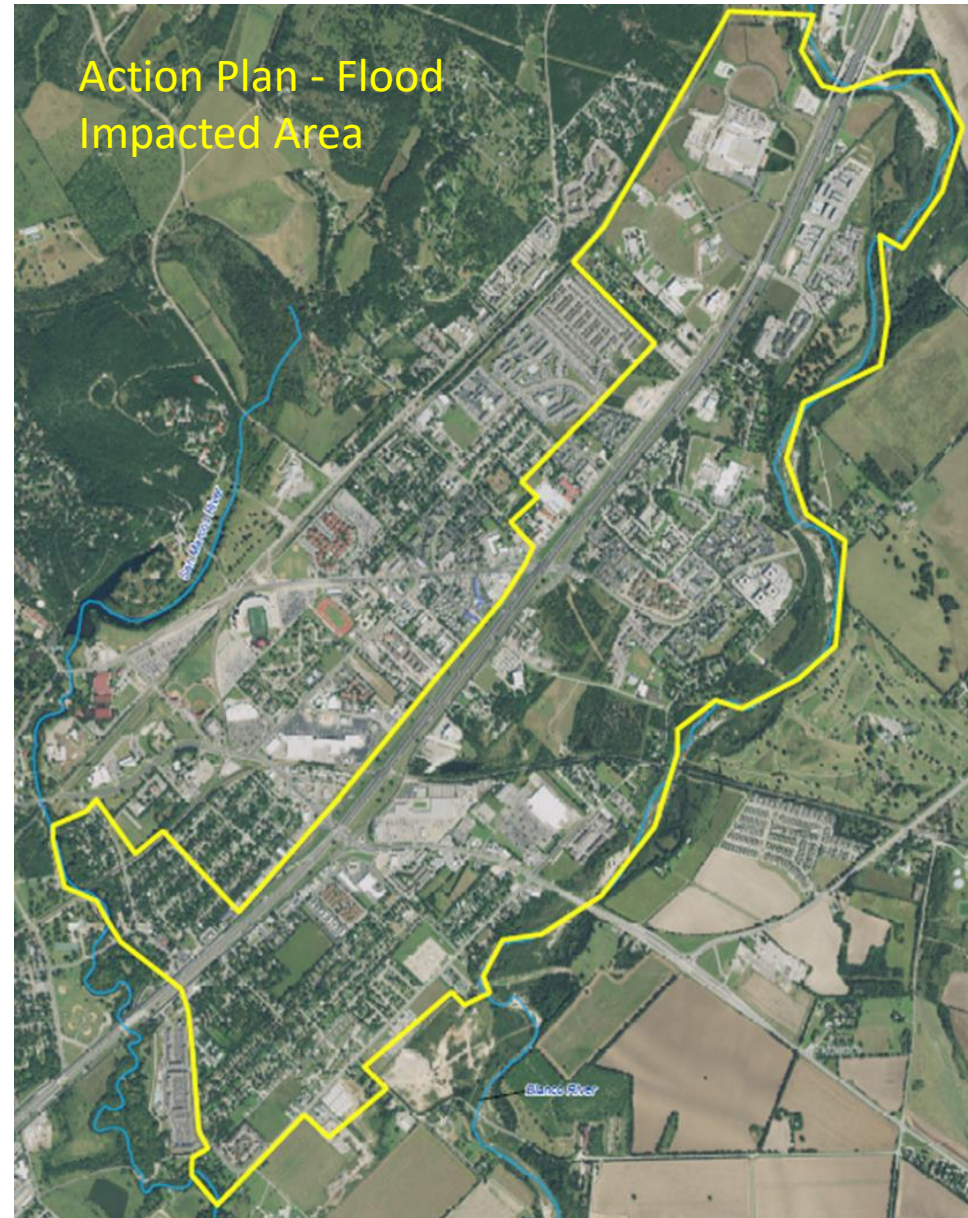
Overview

- In response to the Memorial Day Floods and All Saints Flood of 2015, San Marcos received a \$25M allocation from the U.S. Department of Housing (HUD).
- Following a Needs Assessment, the City Council approved an initial \$12M for Infrastructure Projects.
- Subsequent \$8M HUD allocation, included addition of \$6.9M for Infrastructure.



Overview

- Action Plan prepared for Impacted Area
 - Needs Assessment
 - Public asks for Infrastructure
- Initial Feasibility Study (IFS) completed Sep 2017
- Identified Projects
 - Benefit Low to Moderate Income Residents
 - Be Implemented within 6 yrs



Infrastructure Feasibility Study

Methods:

- 2-Dimensional Modeling
- Studying both causes of flooding:
 - Local – Rainfall & Drainage
 - Riverine – San Marcos & Blanco Rivers

Prioritization:

- Low-to-Mid Income (LMI) Served
- Flood Risk Reduction
- Benefit-Cost Ratio
- Permitting Schedule
- Mobility Improvement
- Environmental Impact/Benefit

Identification:

- Problems in impacted area
- Potential projects that could address

Study Findings

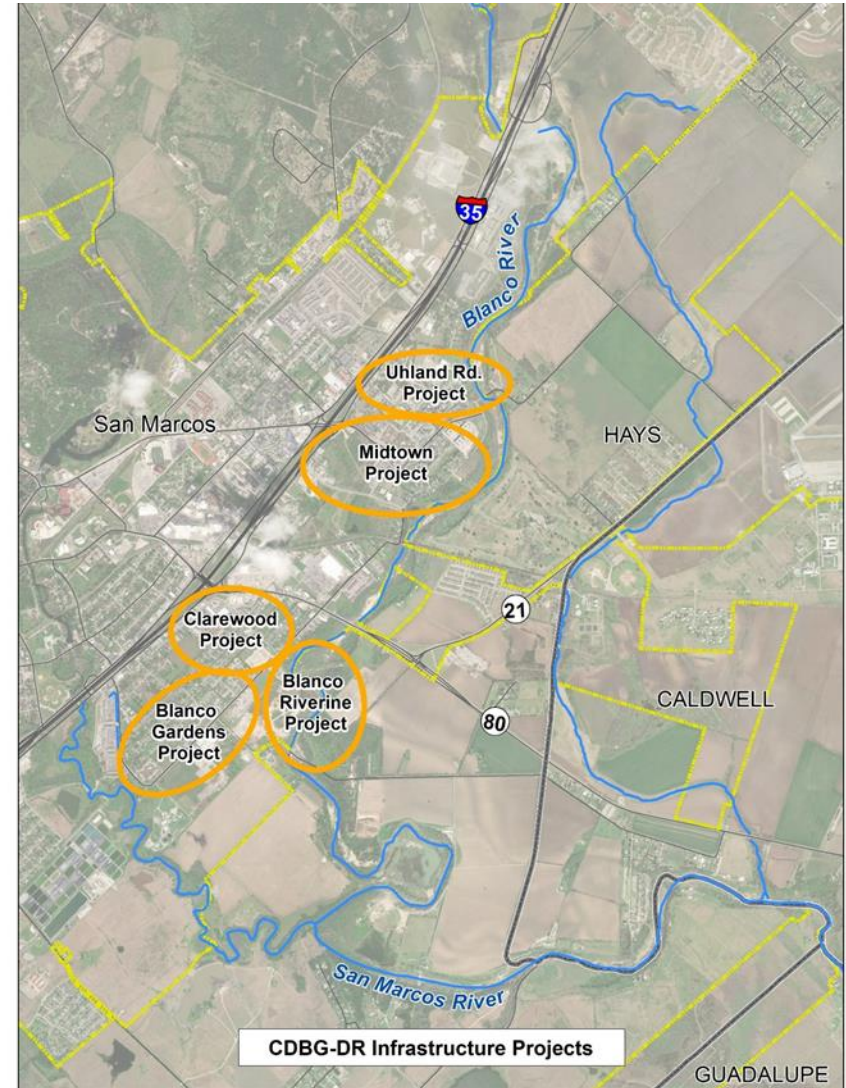
Cannot handle 100-yr
“regional” flooding with “local”
solutions.

Can handle “local” flooding
and reduce impacts of
“regional” flooding.

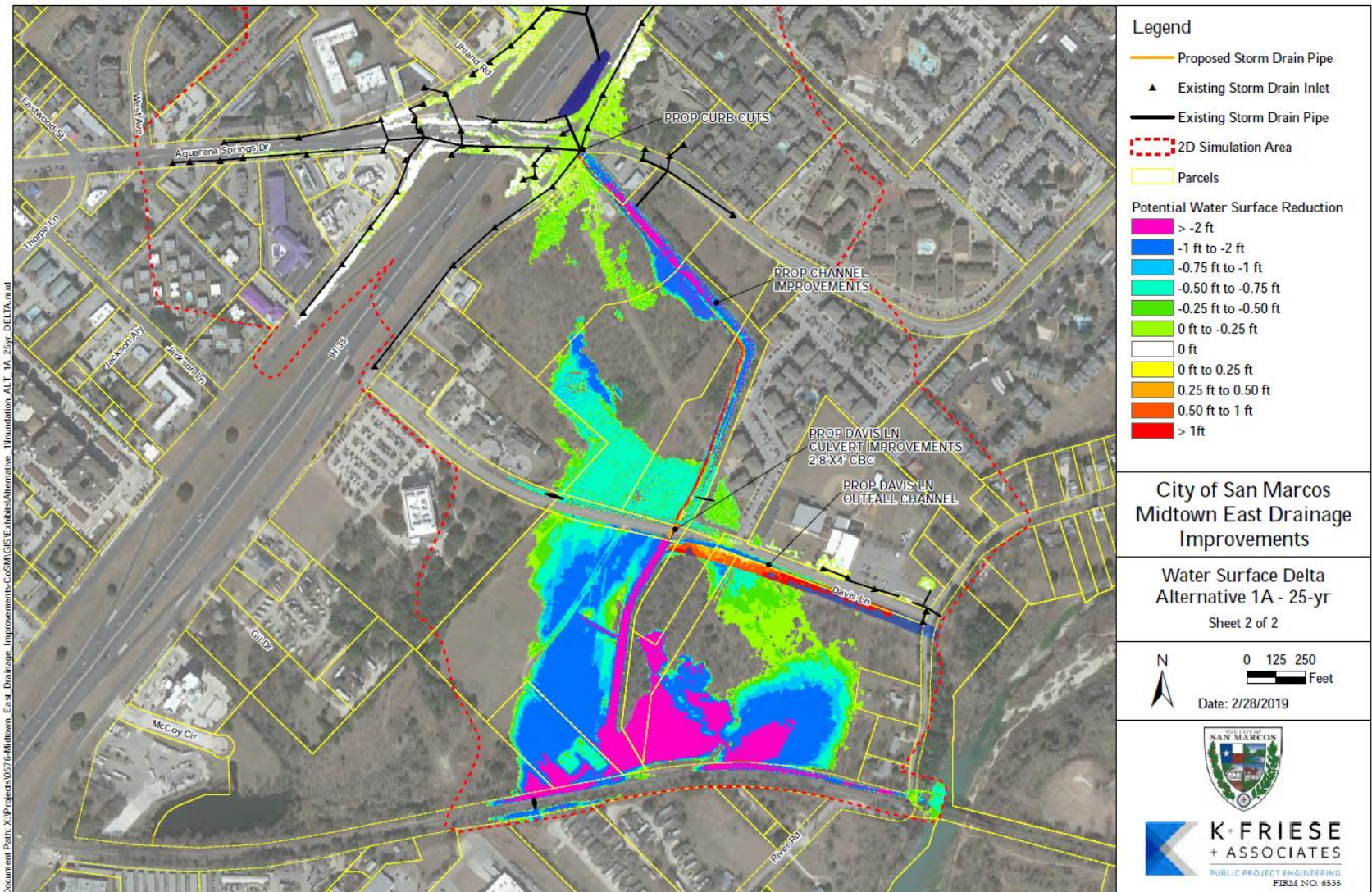


Selected Projects

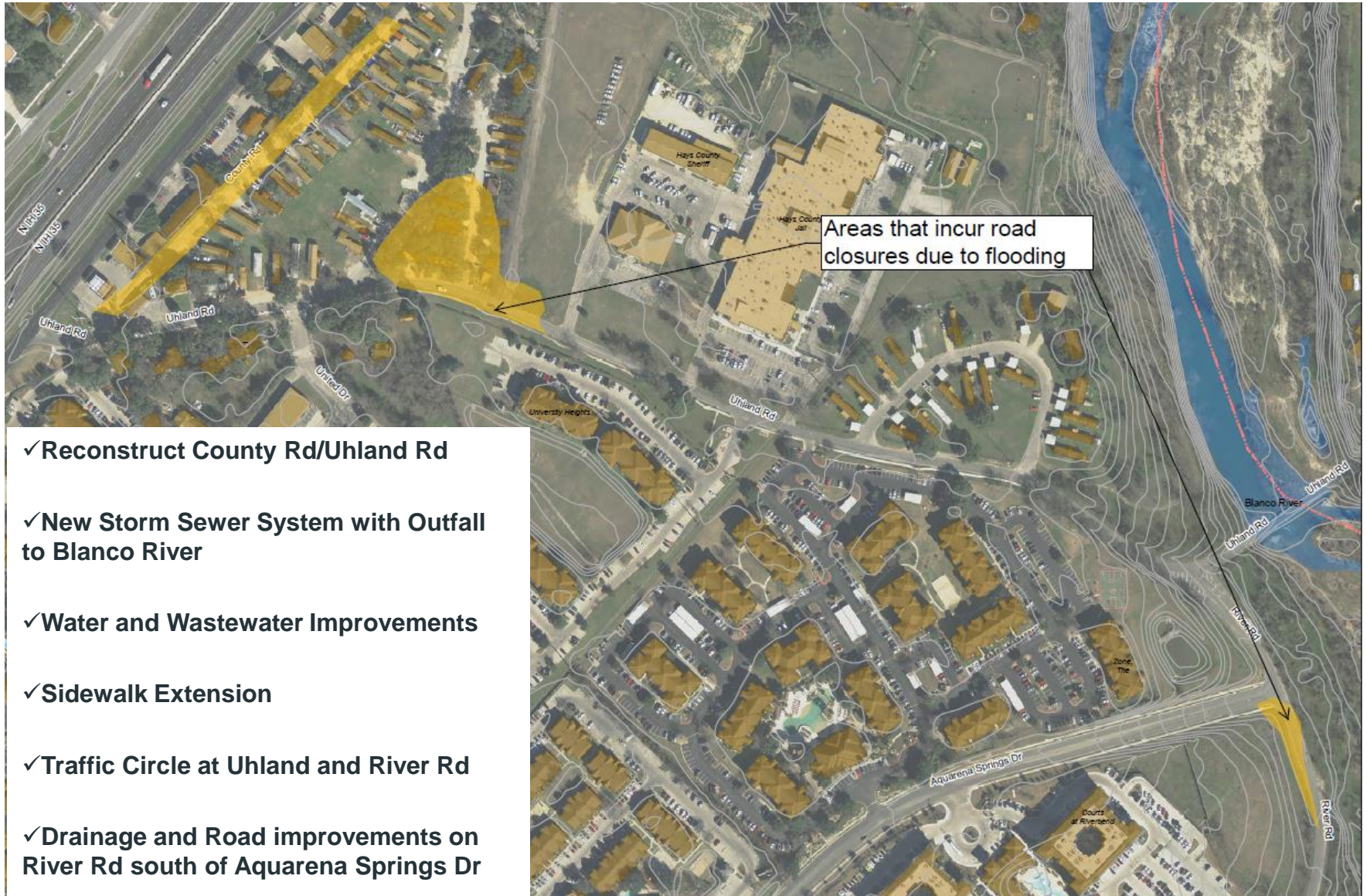
Project Rank	Project Name	DR-Funds
1	Midtown	\$850,000
2	Blanco Gardens	\$5,000,000
3	Clarewood/ Barbara	\$2,500,000
4	Blanco Riverine	\$6,971,200
5	Uhland Road	\$4,190,000
	Total	\$19,511,200



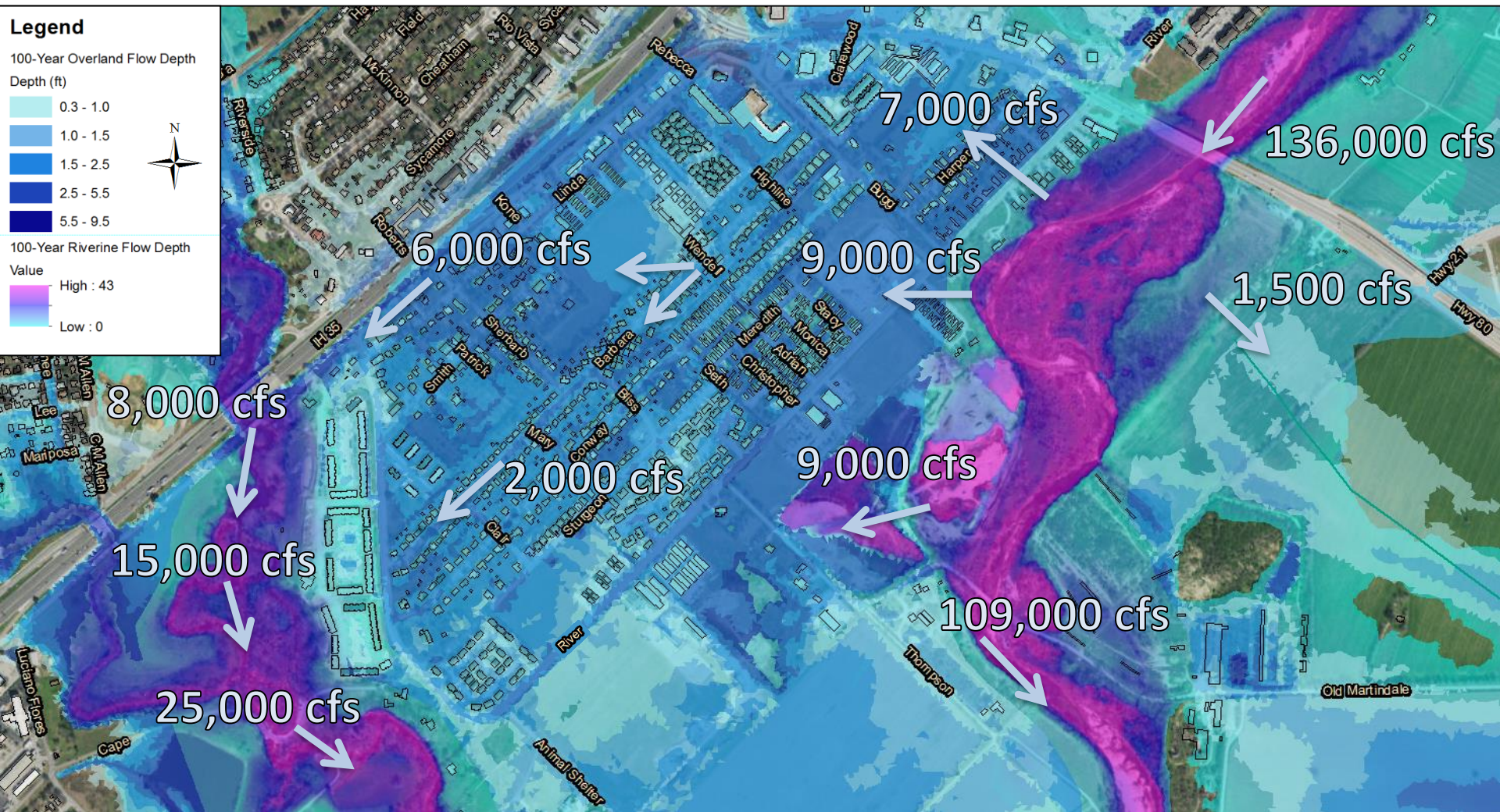
Midtown/Aquarena Springs - \$2.0M



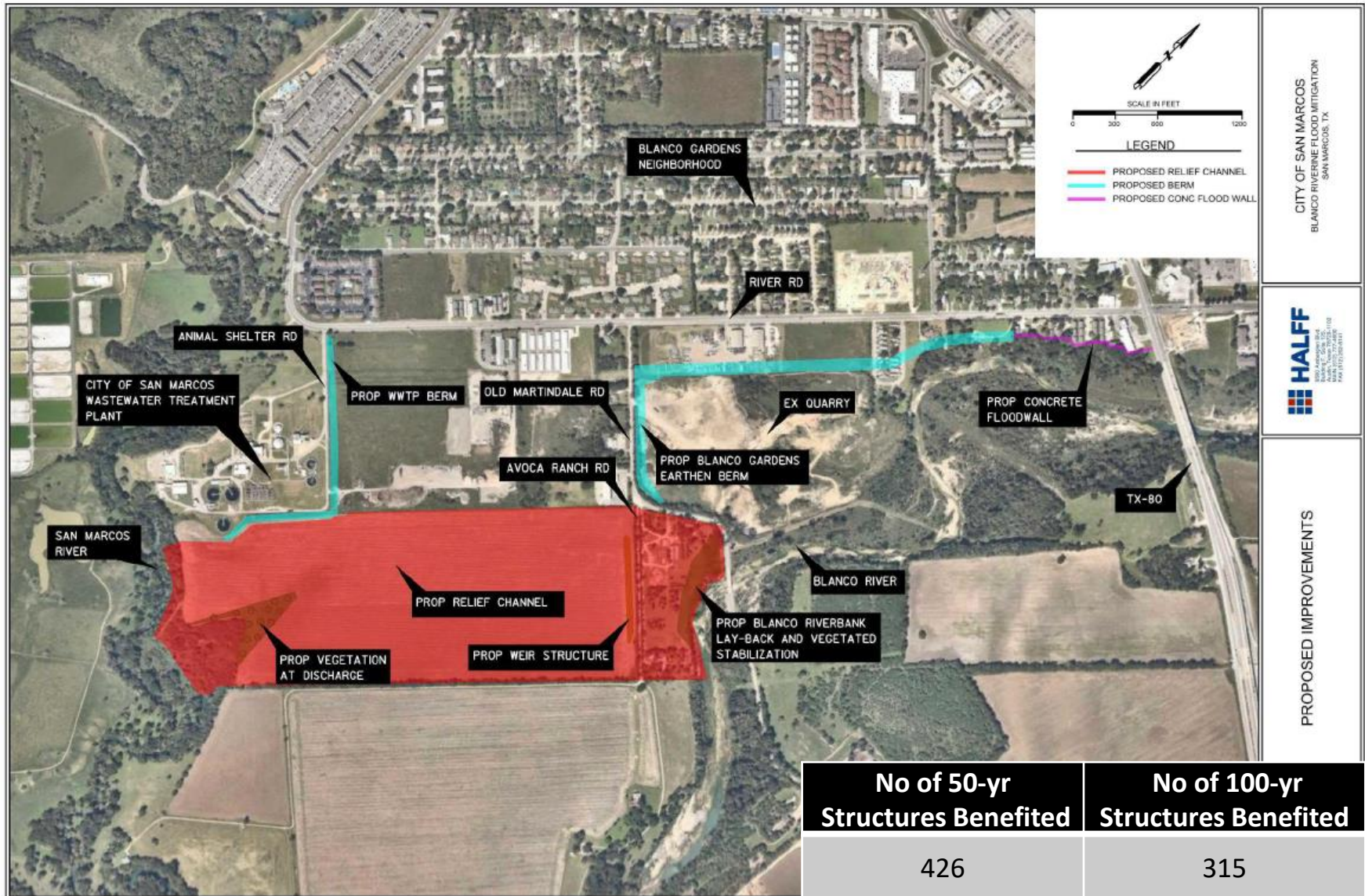
Uhland Rd/County Rd - \$8.2M



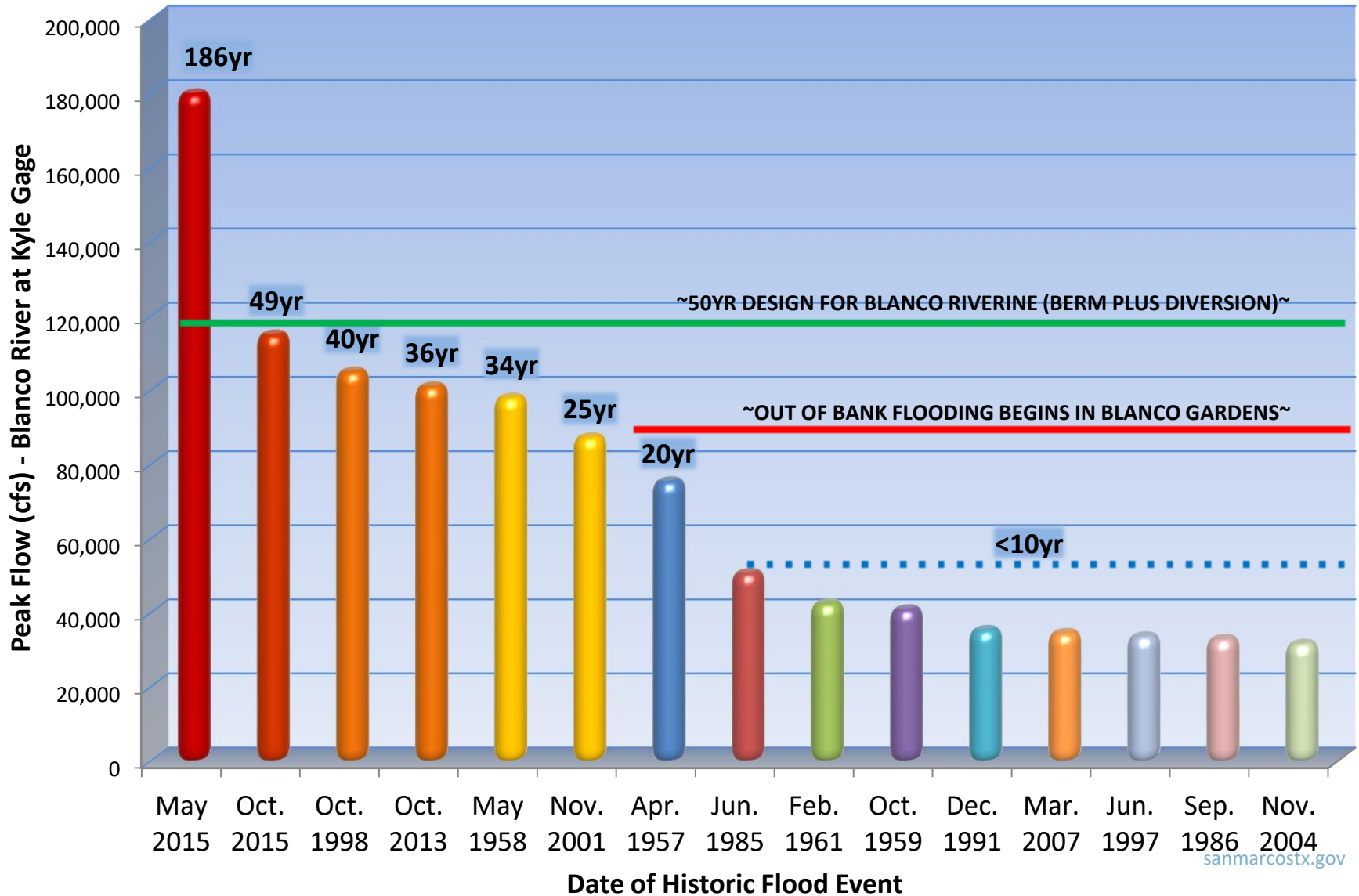
100-Year Riverine and Overland Flow Depths



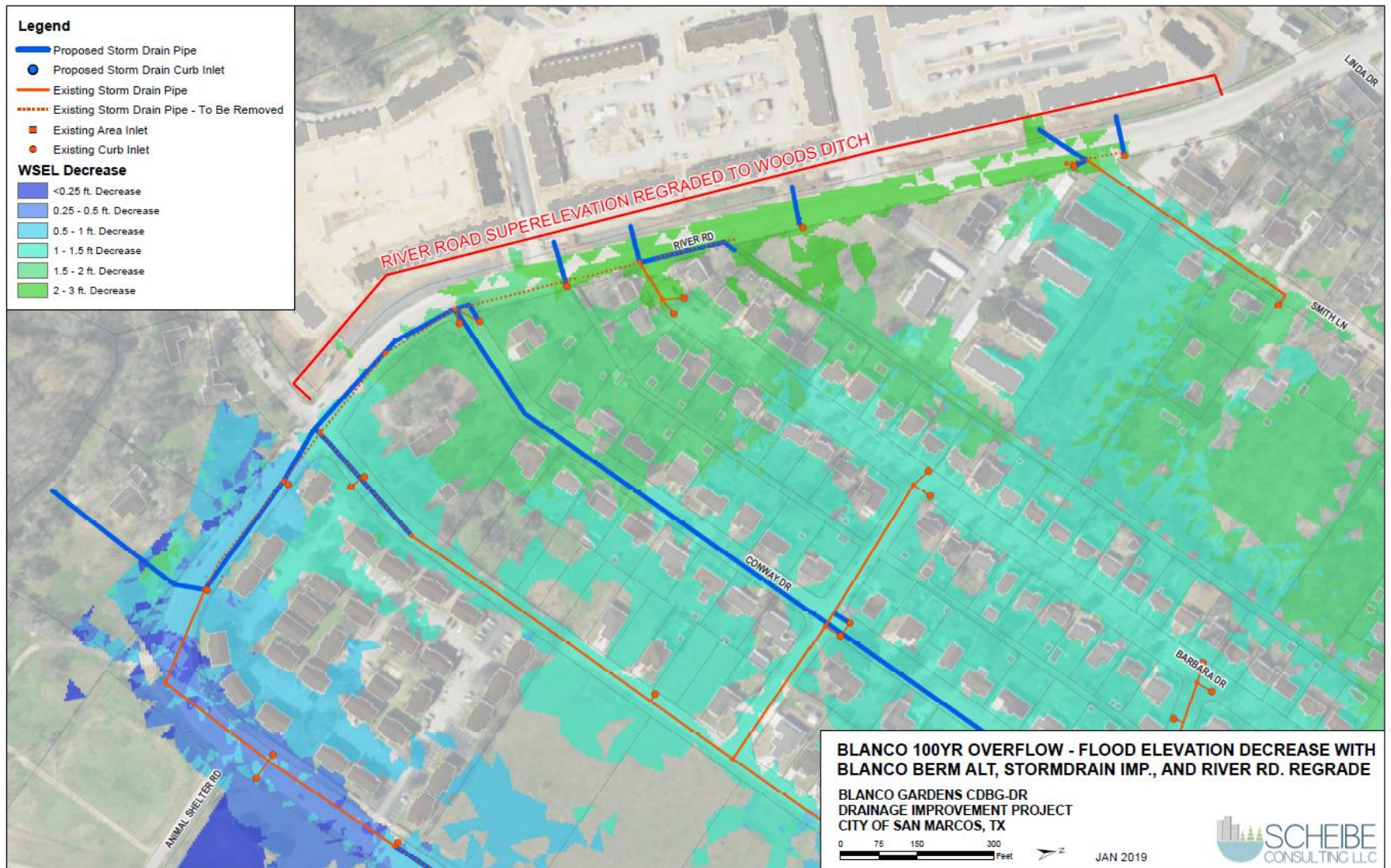
Blanco Riverine - \$19.5M



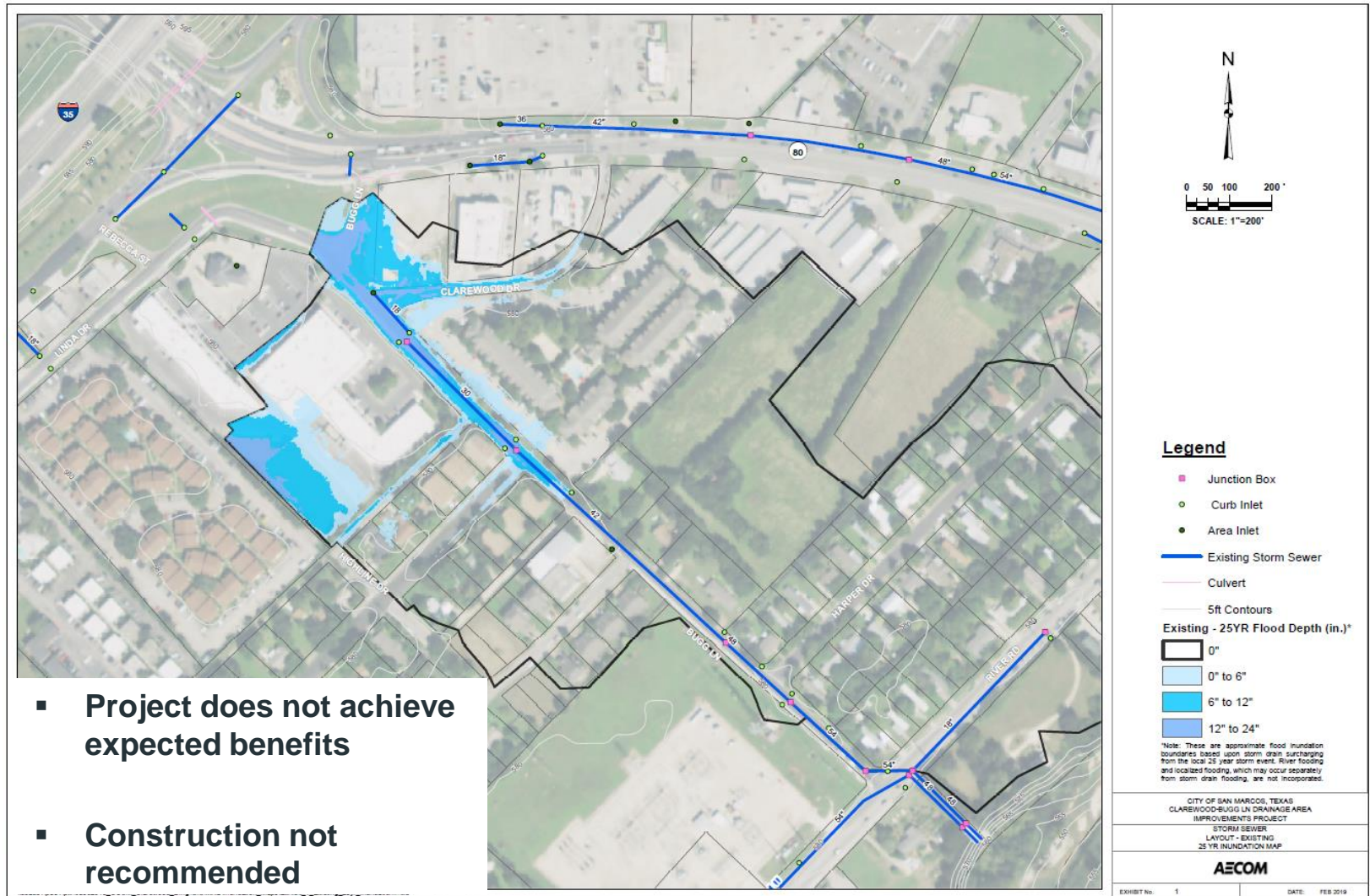
Historic Flood Events - Blanco River



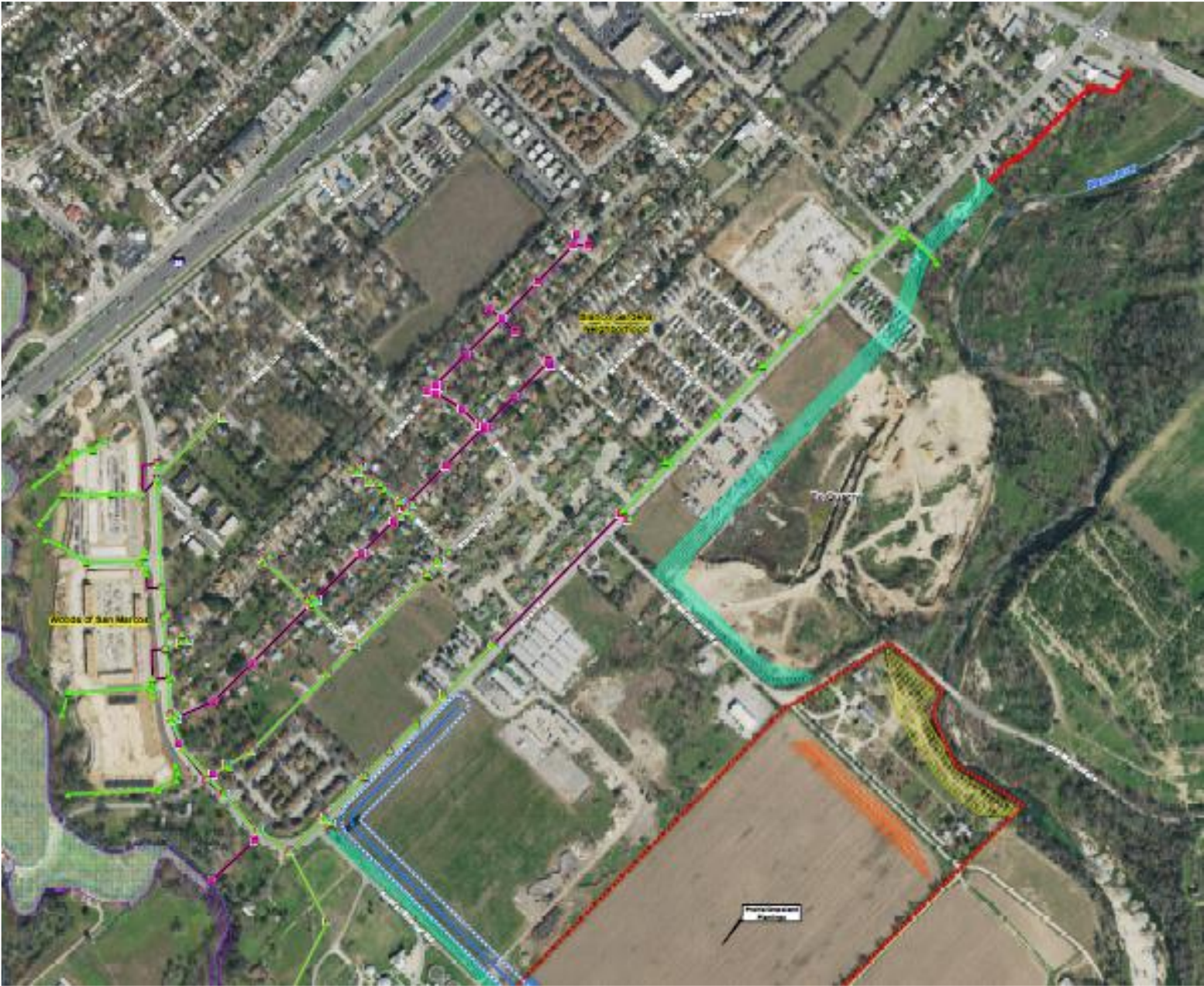
Blanco Gardens - \$10.2M



Clarewood/Barbara Drive - \$2.1M



- Project does not achieve expected benefits
- Construction not recommended



DR – Infrastructure Schedules

Project Name	Status	Construction Start	Construction Complete
Midtown	Draft PER	2020	2021
Blanco Gardens	Draft PER	2020	2022
Clarewood/ Barbara	Final PER	N/A	N/A
Blanco Riverine	Draft PER	2021	2022
Uhland Road	90% Design	2020	2021

DR- Infrastructure Funding

Project Name	Current Estimate	DR-Funds Awarded	City/Other-Funds	Deficit
Midtown	\$1,700,000	\$850,000	\$0	\$850,000
Blanco Gardens	\$10,231,000	\$5,000,000	\$500,000	\$4,731,000
Clarewood/ Barbara	\$3,110,000	\$2,500,000	\$0	N/A
Blanco Riverine	\$19,510,000	\$6,971,200	\$1,961,821	\$10,576,979
Uhland Road	\$8,200,000	\$4,190,000	\$1,021,000	\$2,989,000
Total	\$42,751,000	\$19,511,200	\$3,482,821	\$19,146,979

DR – Program Funding

Project/Activity	Current Budget	Proposed Budget	Prop. Amendment #8 Reallocation
<u>Housing Program</u>			
1. Owner-Occupied	\$5,000,000	\$5,000,000	
2. Rental-Unit	\$2,524,000	\$1,659,013	\$1,659,013 – available
3. Public Housing Authority	\$864,987	\$864,907	
<u>Infrastructure Projects</u>			
1. Midtown/Aquarena Springs	\$850,000	\$1,700,000	
2. Blanco Gardens	\$5,000,000	\$10,231,000	
3. Clarewood/Barbara Drive	\$2,500,000	\$175,000	\$2,325,000 – available
4. Uhland Road	\$4,190,000	\$8,200,000	
5. Blanco Riverine	\$6,971,200	\$19,510,000	
<u>Planning</u>	\$5,069,100	\$2,069,100	\$3,000,000 – available
<u>Administration</u>	\$1,689,700	\$1,689,700	\$0
TOTAL	\$34,658,987	\$51,098,720	\$6,984,013

Funding Deficit Strategy

Reallocation of Current CDBG-DR Funds - \$7 Million

- **Proposed Amendment #8**
 - Clarewood/Barbara DR Funds (\$2.3M)
 - Housing Program DR Funds (\$1.6M)
 - Planning DR Funds (\$3.0M)

Other Funds – Up to \$36.7M

- **Flood Mitigation Assistance Grant (FEMA/TWDB)**
 - Blanco Riverine (\$12.7M)
- **Future CDBG –DR Funds (HUD)**
 - Hazard Mitigation (\$24.0M)

Does Council concur with Strategy?

Next Steps

- **Action Plan Amendment #8 - April**
 - Community Meeting
 - City Council Meeting
- **Approve Final Design Contracts - April**
 - Midtown DR
 - Blanco Gardens (Woods Mitigation Funds)
 - Blanco Gardens DR
- **CDBG –DR Funds#3 (HUD) - Pending**
 - Hazard Mitigation (\$24.0M)
- **Flood Mitigation Assistance (FEMA/TWDB) - May**
 - Blanco Riverine (\$12.7M)

Questions?



City of San Marcos

630 East Hopkins
San Marcos, TX 78666

Legislation Text

File #: ID#19-034, **Version:** 1

AGENDA CAPTION:

Executive Session in accordance with Section 551.087, Economic Development, to receive a staff briefing and deliberate regarding a potential Chapter 380 Economic Development incentive agreement for Project World Series.